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ABSTRACT

Although off-campus or community service courses have historically been sparsely funded, these types of programs have grown more rapidly than the on-campus traditional ones, especially in response to the demands of part-time adult students. Three patterns have commonly been used to finance community services and each has shortcomings. These are minimal local funding with heavy support from external sources such as government grants and foundations; minimal local funding for administrative costs with instructional costs borne by the academic department; and cost-recovery funding in which the institution funds an entire program in an extension budget. An alternative approach to financing off-campus programs is offered by the "college in the community" model. The model is based on several principles: (1) the office charged with off-campus activities is also charged with fiscal accountability; (2) quality control over instruction and course content is the responsibility of discipline offices; (3) there is shared authority for marketing; (4) a single extension budget is used; (5) a database on enrollments and expenses is essential; (6) needs assessments are used to sustain programs; and (7) adequate delivery mechanisms are assured for instruction and support services. This model provides for a balancing of enrollments across all programs, quality instruction, a separation of fiscal accountability and program development functions, and a clear identification of costs and revenues. (Appended figures illustrate the model.) (KL)

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FINANCING THE COLLEGE IN THE COMMUNITY

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Nearly seven years ago Dr. Dorothy Knoell and Dr. Charles McIntyre, both respected leaders in the community college movement, warned administrators of their lack of expertise for future planning.

> The literature of higher education does not greatly aid the community college administrator engaged in planning and development; the decisions called for in traditional college and university planning are different from those faced by community college planners. In the absence of appropriate help in the literature, community college planning has tended to be stereotyped, with presidents and governing Boards often unwilling to consider alternatives to the proven model--the medium sized, suburban campus built on a large acreage. (Knoell and McIntyre, 1974)

The scenario implied by Knoell and McIntyre did not quite come about in the ways one might conjure. That is, all students coming to a central campus, engaged in full-time academic endeavor, and, eventually graduating with an associate degree did not happen as might have been surmised. Instead enrollments by full-time students dropped or plateaued while adults, attending part-time increased.

Although basically keeping the stereotyped model, community colleges ventured forth with adult skill building classes, in-service training programs, and credit classes in extension centers. There has emerged the "Kleenex campus" concept in some community colleges. The "Kleenex campus" is a short-term rented facility easily disposed of in times of financial crunches or enrollment declines with little long-term commitment from the central campus. (Knoell and McIntyre, 1974)

Financially, many off-central campus endeavors have been supported by "soft money" through federal, state grants, and agreements with manpower programs or corporation contracts. In some cases the off-campus courses are supported through a community services program. Community Services have become the catch-all area

for those programs or projects that are not a part of the "real" college. Historically, these are the most sparsely funded and first cut programs in community college budgets. Nevertheless, off-campus, continuing and adult education degree and non-degree programs have grown more rapidly that on-campus, full-time enrollments; and as full-time enrollments on campus continued to decline, greater interest has been shown in off-campus programs.

Bowen in 1980 reported to three major foundations that increases in adult learning, primarily off campus, had become financially practical for most two- and four-year post secondary institutions. The practicality of off-campus programs comes about as full-time tenured, campus intensive faculty become older, entrenched, and protective of "campus" traditions. Cost-cutting innovations become virtually impossible which eventually leads to reduction in staff. However, "many off-campus programs are conducted on a self-supporting or even profit-making basis with low-cost, part-time faculty." (Bowen, 1980)

By the late 1970's, the proportion of part-time to full-time faculty had significantly impacted traditional faculty positions. While originally thinking these new, practical-minded, part-timers from the "field" would enhance the quality of instruction, serious doubts were raised by full-time, especially tenured, faculty that quality had begun to slip. Their charges were not leveled at teachers of the disadvantaged student needing remedial education, but the classes made up of part-time, non-traditional adult students seeking academic credit or degrees.

Two factors entered the picture about 1972 and continue to be considerations today that effect off-campus programming. First, the states who were instrumental in initiating the first community colleges developed funding formulae that tied the local college to property taxes and state subsidies. Income is drastically influenced by local property assessments, which vary county to county within each state. State subsidies through credit hour reimbursements also became the standard. Neither of these two are sufficiently predictable to facilitate long-ranged planning. (Hill, 1972) Thus, funds for off-campus programs are cautiously budgeted with a definite eye to creating a no-cost program where off-campus income and expenditures balance or come very close to balancing.

A second factor is the increased demands for practical, high-quality programs for the "re-entering adult" with flexibility sufficient to meet their personal life schedules and take their past experiences into account. Both universities and community colleges responded with experiential or open-degree programs.

Chicago City Wide College in Illinois created the Open Learning Concept through television and the Chicago City Wide library system; the Phoenix, Arizona system created the College Without Walls (Rio Salado); New York University created the Open-Degree Program; and the five state universities of Illinois created an experiential degree titled the Board of Governors Bachelor's Degree.

Initially, the concept seemed rational, but for the most part these programs have not served the universal purposes intended. They have, however, acted as a catalyst for colleges and universities to review traditional degree requirements, creating opportunities for adult students to challenge basic or beginning courses through examinations. Greater acceptance of American Council on Education recommendations, acceptance of off-campus credit to meet resident requirements, and other "innovations" to make traditional associate and bachelor degrees acceptable to returning adult students were sanctioned for traditional degrees. Experiential and traditional degrees both exist in many off-campus programs today. Neither have totally addressed the needs of the students nor stabilized off-campus program financing. But, they have increased charges of poor quality in off-campus degree programs. In some instances the charges are well grounded.

In 1972, the United States Office of Education (later changed to the Department of Education) began to implement Title I of a new statute on higher education. While colleges and universities--especially community colleges--grappled with funding community services (including off-campus degree programs), USOE tried to encourage more activities through a two-tract program. Funds were allocated for direct grants to colleges and universities from the USOE, Office of Community and Continuing Education Services, and to states interested in stimulating programs of more local or regional interests. Though millions were expended from 1972-77 and gradually decreased from 1978-80, no funds were to be considered for operating budgets for off-campus programs.

These efforts to strengthen community and continuing education did little to stabilize off-campus budgets. Farmer and Knox found in their study of the Title I Higher Education Act that understanding between college and university offices and some degree of acceptance of off-campus community service programs were achieved, but offices serving the public in this way still needed "supplemental funding" from external resources to achieve their goals. (Farmer & Knox, 1977)

The states have also acted as stimulators of extension programs through a variety of state funded grants. Illinois, for example, annually distributed from 750,000 to one million dollars to increase public service activities, including programs to make colleges more accessible to adults. The idea behind the program was to have the state act as a catalyst for new program development. Programs were intended to be "picked up" by local community colleges. When the program phased out in 1975-76, less than fifty per cent of the colleges continued the programs. The Illinois Community College Board has strongly recommended that one per cent of the local college operating budget be set aside for non-campus or public service activities including programs in extension. In many states similar action was taken until only a few years ago when enrollment decreases, state fund decreases, and the general economic slump changed legislative priorities.

Recent literature suggests community colleges should remain on the cutting edge of community based education. Keeping "community" in the college is a high priority among many community college leaders. Financing the "college in the community" has not yet been addressed or, in some colleges, seriously considered as an important function of the budgetary process. Five years ago, John Kenneth Galbraith alluded to this problem in an analysis of educational issues in a changing society. He wrote, "Investment in individuals is in the Public Domain; this investment has become increasingly essential with the advance of science and technology; and there is no machinery for automatically allocating resources" ...where they are needed most. (Kerber and Smith, 1976)

There has emerged three patterns to financing extension/community service programs.

1. minimal local funding with heavy funding from external sources such as government grants, foundations, or business/industrial service contracts.
2. minimal local funding for administration of the program with the burden of the instructional expenditures borne by the department or the division.
3. cost recovery funding in which the institution budgets the entire program in an extension budget. Recovery of all costs is the paramount goal of the program.

Each of these patterns have some acceptability as a method to implement or maintain an extension program. However, each has serious shortcomings that must somehow be constantly kept in focus or the program is doomed. In the first

pattern constant attention to government, foundation, and industrial budgeting must be maintained while continuing to program the community service/extension activities. A plethora of grant information, proposals, and contract announcements are program features facing the extension administrator. Intergovernmental relationships must be maintained; close ties with foundation directors will be important; and corporate profit margin/data will need to be a part of the administrator's baggage. The program will be entirely subject to the financial condition of these main sources of funds. Student fees and tuition in the model would be minimal or non-existent.

In the second pattern, the program survives if the departments or divisions are able to maintain a strong budget posture. Given the conditions for funding community colleges from local taxes and state apportionments it will be increasingly difficult for discipline administrators to maintain a balance between on-campus and off-campus programs. Concomitantly the issue of quality control will continue to be a high priority item for division and department leaders. Given these two key factors there is likely to be a greater tendence to reduce the number of credit or degree courses in extension as the budget tightens thereby easing the task of quality control since each course will have the scrutiny of both full-time and/or tenured faculty and the discipline leaders when offered only on the main campus.

This action may tend to increase part-time student alienation and consternation among adults whose expectations have been raised through extension courses. As full-time enrollments continue to decline, the community college must find new ways to attract and meet the needs of part-time adults through fiscally responsible and educationally sound programs.

It is likely part-time students will need to be served in scheduling patterns that are difficult or expensive to provide in the traditional college setting. Some colleges are responding through Weekend Colleges, or programs in the late evening hours. Some technology is being introduced into more traditional degrees such as Cable T.V. courses and acceptance of public television courses as bona-fide credit generating experiences. In addition, as budgets tighten, the balance between full-time and part-time instructors will be difficult to maintain; and too high of a ratio of "part-timers" to full-time faculty may jeopardize the quality of instruction. The demand for more and more uniqueness in scheduling and for offerings off campus will continue through the 80's in order to reach the part-time adult student population. It will continue to take more bodies

in the classroom to maintain the same equivalent full-time enrollments the 70's provided through youthful full-time students.

The third pattern, originally developed by some universities, has become a part of the funding mechanism for off-campus programs in many two-year colleges. Offering off-campus courses, credit and non-credit, on a cost recovery basis has merit. It reduces the risk the institution must take in order to meet new demands at a time budgets are decreasing through inflation and less willingness by the State to support higher education costs.

As community colleges are asked to "do more with less," this pattern will seem more palatable. Herein lies the main weakness of the third pattern (cost-recovery). Too often the cost effectiveness of the pattern is a greater priority than the quality of the courses or degrees offered. In this pattern, it is possible that part-time instructors will form the base of the off-campus instructional staff while in the first two full-time faculty tend to form the base.

In looking at financial scarcity in the 1980's, community college administrators will not find relief for either on-campus or off-campus cost increases. Lombardi's analysis of 1973 still persists today.

> Aside from minor changes, financial support patterns for community colleges will continue as in the past. Any proposed reform, short of massive federal aid and/or tuition charges equal to the cost of instruction, will not solve the financial crisis. Although the move toward full state support continues, transferring the cost from local districts to the state will merely shift the problem, not resolve it. (Lombardi, 1973)

It is up to local college administrators to resolve the financial problems of both on- and off-campus programs. The tasks required to respond to the problem can no longer be resolved through status quo thinking. The demands by part-time adult (tax-paying) students for quality instruction, scheduled in a time frame that is more convenient to them and close to home, will plague administrators until a logical, rational response is developed. The "college in the community" as the new thrust is here. Community college administrators have to be inventive to maintain fiscal integrity and provide quality education off campus.

College in the Community

One alternative to funding off-campus programs is illustrated on the schematic in Figure 1. The heading "college in the community" is functionally illustrative of the many titles associated with off-campus programs and their funding mechanisms. Basically, the model follows several principles:

1. Fiscal accountability for off-campus programs are in the office charged with off-campus activities.
2. Quality control through hiring qualified faculty, evaluation of faculty, development and evaluation of course content, and other qualitative factors are in the discipline offices.
3. Shared authority for public relations, publicity, advertising, and marketing between on-campus, college-wide offices and off-campus offices is essential.
4. All costs of off-campus programming are budgeted through the "college in the community" budget.
5. A data base reference for enrollments, course offerings, off-campus site costs, and expenses is also essential.
6. A variety of community needs (not wants) assessments are vital to sustaining solid off-campus programs.
7. Besides fiscal accountability the "college in the community office" must have an adequate delivery mechanism set up so that quality can be maintained. Such support services as faculty mail delivery, registration/admissions, counseling, advising, and facilities rentals are as important to the overall program off campus as is quality. instruction.

The concept takes some of the salient points from the typical patterns cited earlier and merges them into a more succinct fiscal accountability model while assuring quality of education by keeping quality monitoring in the academic divisions and offices. In other words, the "college in the community" is providing a budgetary process that maintains fiscal integrity through one office. The "college in the community" then "contracts" with those charged with the development of quality programs. In this way, appropriate offices are charged with assuring the public is served through appropriate, solid degree programs or courses while one office accounts for expenditures and revenues.

With the one budget concept, it is easier to deliver a program since enrollments, costs and revenues can be quickly analyzed (See Figure 2). In the multiple budget concept, divisions or departments may offer or withdraw courses depending on the limits of comprehensive, multi-purpose budgets. The complexity of coordinating such a multi-budget process is costly in staff time and energy and seriously threatens program efforts. It is altogether possible through independent action by a department or division that a student (especially part-

time students) would never have an opportunity to complete a logical sequence of courses due to department or division budget restraints.

The model offers several very positive elements:

a. Administrators charged with off-campus programs will be able to balance enrollments across division courses. Divisions must balance within division budgets.

b. By "contracting" with the division or office the off-campus administrator can be comfortable that a quality course will be available by either a very competent part-time instructor or a full-time instructor.

c. When a full-time instructor is assigned to teach off campus, the division can have its full-time instructor salary reimbursed by the off-campus program. Administrators charged with developing and evaluating quality off-campus programs will be less hindered since they will not have the dual responsibility of trying to maintain fiscal accountability for the programs.

d. As budgets get tight, administrators need a very clear picture of how the funds are expended and where revenues are being generated. Succinctly identifying off-campus expenditures and revenues will provide management information for solid decisions concerning implementation of new programs or retrenching programs.

The model identified here may not be the panacea for financial accountability for all types of off-campus programs. However, a sufficient amount of off-campus costs and revenues can be monitored through this model to provide data for logical decisions. Logical and well-documented decisions at a time when resources are more limited, more scrutinized by the local public, and more questioned by state governments may be the only responsible behavior acceptable from community college administrators for the near future.

FIGURE I

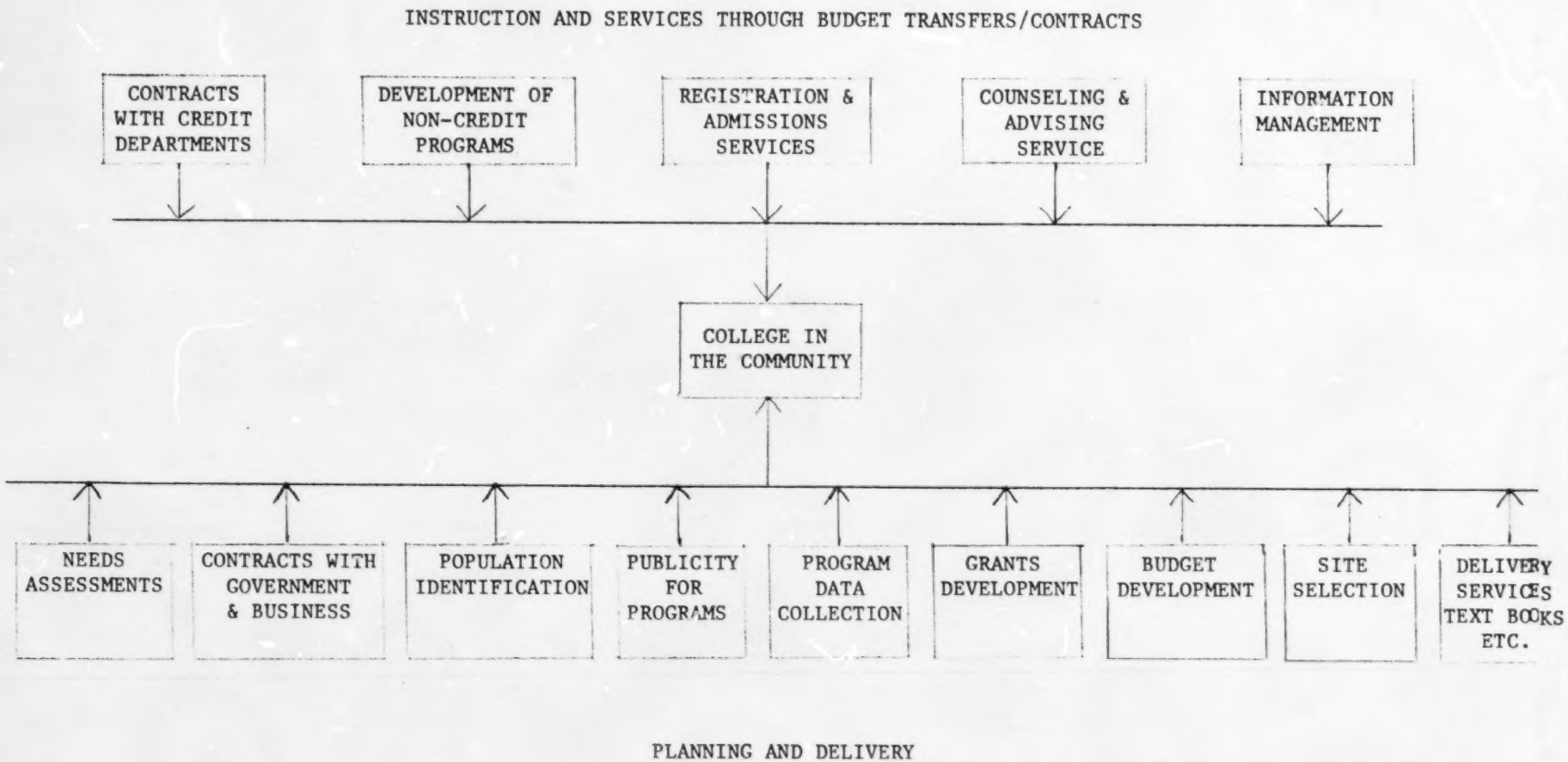
INSTRUCTION AND SERVICES THROUGH BUDGET TRANSFERS/CONTRACTS
CONTRACTS WITH CREDIT DEPARTMENTS
DEVELOPMENT OF NON-CREDIT PROGRAMS
REGISTRATION & ADMISSIONS SERVICES
COUNSELING & ADVISING SERVICE
INFORMATION MANAGEMENT
COLLEGE IN THE COMMUNITY
NEEDS ASSESSMENTS
CONTRACTS WITH GOVERNMENT & BUSINESS
POPULATION IDENTIFICATION
PUBLICITY FOR PROGRAMS
PROGRAM DATA COLLECTION
GRANTS DEVELOPMENT
BUDGET DEVELOPMENT
SITE SELECTION
DELIVERY SERVICES TEXT BOOKS ETC.
PLANNING AND DELIVERY

FIGURE 2

COLLEGE IN THE COMMUNITY FINANCIAL PLAN

SOURCES OF REVENUE

1. Degree Course Tuition and State Reimbursements
2. Federal Adult Vocational Education Reimbursements
3. Contracts with Business/Industry
4. Contracts with Government Agencies
5. Grants from Government Agencies
6. Grants from Other Sources
7. Non-Credit Seminars/Workshop Fees
8. Miscellaneous Income

EXPENDITURES

1. Contracted Courses with Divisions
2. Supplies/Materials for Contracted Courses
3. Faculty Salaries for Seminars/Workshops
4. Supplies/Materials to Support Seminars/Workshops
5. Program Publicity
6. Travel Expenses for Staff
7. Administration Costs (Staff)
8. Administration Costs for Support Services (Rents, Data Processing, Registration, etc.)*
9. Printing Costs

*This factor could be based upon an Administrative/Support Services unit cost.

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